

E & COINS

Profitable tips on coin investing

By Roger Boye

Today's column begins with a question about investments in old coins.

Q — After reading about the fantastic price increases for some rare coins, I signed up for a monthly investment program with a well-known dealer. I now realize I'm buying retail and that when I decide to sell, I will get a wholesale price. What's the average markup, going in and coming out? — D.B., Anderson, Ind.

A — The difference between retail (dealer selling price) and wholesale (dealer buying price) varies from dealer to dealer and coin to coin. But usually, the retail price is at least 40 per cent more than the wholesale price.

Most experts say that a collector should plan to own a coin investment for three or more years to make a decent profit when selling. It sometimes takes a while to overcome the dealer's profit margin.

By the way, the "markup" will likely be less on popular items that a dealer knows he will be able to resell quickly, such as Lincoln cents, silver dollars, and proof sets.

Q — How would I go about placing some

unusual coins on auction? And how much could I expect to make? — T.J., Chicago.

A — You can consign coins for auction with several large coin companies and even some smaller ones. However, most of the firms will accept only the rarer dates, and they will keep part of the proceeds as a commission (their take is often about 20 per cent).

To identify the companies that conduct such auctions, check the coin ads in The Tribune or in the various hobby publications.

Q — My 10-year-old son wants to start a coin collection. Can you suggest the coins I should buy him for Christmas? — S.C., Quincy, Ill.

A — The best gift you could buy would be a good coin book such as "A Guide Book of United States Coins," by R. S. Yeoman. It's also known as "The Red Book," and many coin and hobby stores sell it for \$4.95.

Or for hours of enjoyment, buy him a year's subscription to one of the two weekly hobby newspapers. Coin World (P.O. Box 150, Sidney, Ohio 45367) costs \$18, and Numismatic News (700 E. State St., Iola, Wis. 54945) is \$13.50.

● If you ordered 1980 proof sets from the government last April and are hoping they will arrive in time for holiday gift giving, be ready for a big disappointment.

As many as a third of the 3 1/2 million sets might not be produced or mailed until 1981, judging from recently released reports. Workers at the U.S. Mint blame the long delays on companies that supply plastic cases for the sets.